



Australian Government

Business
Industry Skills Fund

MERIT ASSESSMENT GUIDE FOR APPLICANTS

OVERVIEW

This is a guide to help businesses understand how applications for the Industry Skills Fund (fund) are assessed. All eligible applications undergo a competitive assessment against the fund's Merit Criteria.

When a complete application is received which meets all eligibility requirements, the Department of Education and Training (department) will assess the information and evidence provided to support each of the Merit Criteria.

The fund has five equally weighted Merit Criteria, which are summarised below:

[Merit Criterion A: Growth Opportunity](#)

[Merit Criterion B: Productivity](#)

[Merit Criterion C: Links between the Growth Opportunity and Training](#)

[Merit Criterion D: Value for Money](#)

[Merit Criterion E: Capability and Capacity to Manage](#)

The level of information and evidence required for each Merit Criterion is related to the size of the grant requested. For instance, a business seeking a small grant could provide responses that answer a criterion in a paragraph, where a business or consortium seeking a larger grant would be expected to provide a fully developed business case. However, you should add all the information you have, as further detail will help your case.

CLARIFICATION OF INFORMATION IN AN APPLICATION

The department may need to clarify information provided in an application. Clarification may be requested in writing (by e-mail or letter) at any stage of the assessment process. Quick responses will help us to quickly assess your application.

Only ONE request for clarification will be made by the department. It is your responsibility to ensure you provide all requested documentation and clarification to help process your application.

MERIT CRITERION A: GROWTH OPPORTUNITY

A Growth Opportunity is a new direction that your business will be taking. Your application should clearly state what your business' Growth Opportunity is, how you will achieve it, and how it is different to present activities.

Examples of a Growth Opportunity include:

- Diversifying into new or emerging markets; or
- Adopting new or emerging technologies; or
- Entering export markets; or
- Responding to significant domestic market opportunities; or
- Repositioning because of market driven structural adjustment.

Information which addresses this criterion includes (but is not limited to):

- A description of a new direction / Growth Opportunity for the business
- A description of how the Growth Opportunity is different to the current business activities
- Details of the business' goals relating to the Growth Opportunity
- Proposed strategies to achieve the Growth Opportunity
- Relevant facts and figures to support the proposal
- Information from a business plan

EXAMPLES OF EVIDENCE FOR A GROWTH OPPORTUNITY

Relevant facts and figures to support the proposal might include:

- Contracts, order documents or enquiries from businesses looking for a supplier
- Evidentiary documentation from industry bodies that identifies the Growth Opportunity
- Professional market research provided by a third party

A business plan covering the Growth Opportunity and progress to date, which may include:

- Overall strategy
- Marketing strategy
- Timelines for growth initiatives
- Finance Requirements including forecasting

MERIT CRITERION B: PRODUCTIVITY

Your application should clearly state how the Growth Opportunity you outlined in Merit Criteria A will lead to productivity gains for your business, and in turn deliver benefits to the Australian economy.

Information which addresses this criterion includes (but is not limited to):

- Increased employment opportunities and/or projected employment;
- Improved business and technical capabilities;
- Projected increase in competitiveness, both domestically and globally;
- Projected revenue increase;
- Increased export of products/services;
- Increased supply of skilled labour; and/or
- Improved employee productivity measures which may include:
 - Revenue or output growth per employee;

Information which addresses this criterion includes (but is not limited to):

- Decreases in product turnaround time; and/or
- Decreases in percentage rework.

EXAMPLES OF EVIDENCE FOR PRODUCTIVITY GAINS

Financial projections from a Chief Financial Officer or Accountant

Projections for future growth at the firm-level with supporting evidence

Evidence of productivity gains at the firm, sector or broader economy levels

ABS data, Business, Industry Peak Body or Government Reports relating to the Growth Opportunity

MERIT CRITERION C: LINKS BETWEEN THE GROWTH OPPORTUNITY AND TRAINING

Your application should clearly state *what skills* your workforce needs to help you realise the Growth Opportunity and *what training* your workforce will need to get these skills.

Information which addresses this criterion includes (but is not limited to):

An explanation of how the proposed:

- training will deliver clear, tangible and transferable skills, linked to the Growth Opportunity and the identified skills gaps, through:
 - the use of nationally recognised and/or accredited VET training which is relevant to the skills need (where such training exists); or
 - a clear and reasonable justification as to why accredited VET training is not suitable for the individual situation; and
 - indicators such as the proposed training being internationally recognised, having industry endorsement or providing transferrable benefits to employees.
- support services (where applicable) are relevant to the Growth Opportunity and will make the training more effective.

EXAMPLES OF EVIDENCE FOR LINKS BETWEEN THE TRAINING AND THE GROWTH OPPORTUNITY

A Skills Matrix showing current capabilities, what capabilities are required to achieve the Growth Opportunity and what skills training you need to get those capabilities.

Business consultant reports

Workforce planning documents and project plans, including risk assessment and treatments

Overview of proposed course content and outcomes

For consortia, economic and workforce development analysis to support the proposed project

MERIT CRITERION D: VALUE FOR MONEY

Value for Money assesses the *cost* and *quality* of the training you are seeking.

Information which addresses this criterion includes (but is not limited to):

- A detailed explanation of why the training is good value for money, backed up by evidence.
- Two training quotes from **two** different training providers for **each** course of training must be provided to support your application. The quotes should clearly show whether GST is payable. The department will not necessarily require you to use the cheapest training provider, but the two quotes help us ensure that the cost of the training is within market expectations, or:

Information which addresses this criterion includes (but is not limited to):

- If applicable, justification of why you are unable to provide two quotes (e.g. lack of providers for a qualification).
- A justification of the choice of training provider; and
- Details of any contribution towards the project from any other sources.

EXAMPLES OF EVIDENCE FOR VALUE FOR MONEY

A minimum of two written Training Provider quotes for each course of training, showing:

- Training outcomes including qualifications/skill sets/units of competency;
- The number of learners to be trained;
- The duration of the course, including delivery hours; and
- The cost per participant.

A course overview that shows how and where the training will be delivered.

A clearly itemised budget and detailed training plan, using a range of data sources to justify costings

Clear comparison with the costs and outcomes of other skilling strategies or projects you have undertaken previously.

MERIT CRITERION E: CAPABILITY AND CAPACITY TO MANAGE

This section of the assessment looks at the ability of both your business and of your preferred training provider to manage the proposed training.

Information which addresses this criterion includes (but is not limited to):

- A clear explanation of how the training will be managed by your business, including how you will budget for the payment of upfront payment of all training costs, absences to attend off site training and business continuity during training. Your response should also show that your preferred training provider can complete the training during the project period.

Your application would be strengthened by including:

- A detailed project management strategy, including staff availability for training and business continuity plans;
- Details of training project governance structures, including an organisation chart and training project manager profiles, with clearly identified roles and responsibilities

EXAMPLES OF EVIDENCE FOR CAPABILITY AND CAPACITY TO MANAGE (IN LINE WITH PROJECT SIZE AND COMPLEXITY)

Risk management and contingency plans

References and capability statements from the preferred Training Provider

Evidence of prior experience of the Training Provider in delivering the proposed training

Performance details of any previous projects by the applicant or training provider using Government funding

Where the training provider does not fall under the jurisdiction of a formal regulator (e.g. the Australian Skills Quality Authority), evidence of high quality processes and delivery, which may include ISO accreditation, documented complaints, refund protocols and a clear trading history.